

**REPORT:** Police Overtime for 2011 and 1<sup>st</sup> Quarter of 2012

**FROM:** Noble Wray, Chief of Police

**DATE:** April 24, 2012

TO THE MAYOR AND COMMON COUNCIL:

In response to the request of the Common Council for reports regarding the status of overtime expenditures, the Police Department has developed the following information to explain overtime trends and information from 2011 and the first quarter of 2012.

The total 2011 budgeted expense for the Madison Police Department was \$61,889,889. Wages and benefits accounted for \$52,646,159 or 85% of budgeted expenditures. In all, at least 91% of budgeted expenditures were determined by labor contracts, other City agency costs, or additional mandates from outside of the Police Department.

Although overtime is considered a variable expense, in the past three years overtime hours required by contract (such as briefing time, holiday day in future, etc.) accounted for almost 62% of the overtime hours earned. These expenses have been negotiated in various labor contracts that were approved by the Mayor and Common Council and are required to be paid. Although Police management staff reviews overtime quarterly, they have little or no discretion in allowing contractual overtime.

#### REPORT OF 2011 OVERTIME:

The total cost of overtime for the Madison Police Department (MPD) in 2010 was \$2,687,008, which is \$465,975 over the 2011 budget of \$2,221,033. Obviously the impact of the budget protests in the first half of 2011 had a tremendous affect on the Department's overall overtime cost. However, it's important to note that the State reimbursed the City \$458,650 to cover the overtime costs incurred. **(For a comparison of overtime expenses, refer to Appendix A)**

In 2011, the overtime hours earned totaled 113,571, which is an increase of 6.8% over the 106,285 hours earned in 2010. As with the cost of overtime, the total hours earned was significantly impacted by the 11,916 hours incurred at the protests. These two years compare with the 103,760 hours in 2009, 99,671 hours in 2008, and 100,620 hours in 2007. **(Refer to Appendix B)**

As highlighted in overtime reports throughout the year, the pay-to-time ratio rose during 2011, resulting in higher costs than might have been anticipated had officers "banked" more of their hours as time. **(Refer to Appendix C)** Maintaining lower overtime costs will be contingent upon a return to a lower pay-to-time ratio, which per contract is at the discretion of the employee.

Police overtime is divided into Contractually-Driven, Demand-Driven and Civilian overtime. The comparative breakdown of Contractually-Driven overtime hours is:

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Briefing Time	29,886	30,492	29,493	28,361	26,108
Legal Appearance	4,740	4,006	4,596	4,532	4,697
Holiday Day In Future	24,488	26,018	23,235	21,510	20,490
Convert to Pay	7,292	7,394	7,507	6,461	8,048
<b>TOTAL</b>	<b>66,406</b>	<b>67,910</b>	<b>64,831</b>	<b>60,865</b>	<b>59,343</b>

The reduction in Holiday Day In Future hours was due to the pattern of how holidays are charged at the end of the year. In 2011, more of the year-end holidays were charged to 2012 than in 2010.

The comparative breakdown of Demand-Driven overtime hours is:

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Routine	14,570	14,465	14,516	15,332	15,718
Extraordinary Event	18,881	8,924	7,900	8,550	8,743
Planned Event	6,862	5,985	6,723	5,852	4,493
Problem Initiative	2,131	2,785	1,889	1,371	3,435
Holdover	2,451	2,346	3,524	2,478	5,976
Meetings	379	760	904	583	807
<b>TOTAL</b>	<b>45,274</b>	<b>35,265</b>	<b>35,456</b>	<b>34,166</b>	<b>39,172</b>

As previously stated, the remarkable increase in Extraordinary Event hours was primarily due to the protests at the Capitol. However, it's important to note that there were also several homicides and other significant events which required additional overtime. The increase in Planned Event hours was driven by the added hours for the Mifflin Street event.

Finally, Civilian overtime was significantly reduced as the Department was able to maintain staffing levels throughout 2011. Civilian overtime totaled 1,891 hours in 2011, as compared with 3,110 hours in 2010, 3,472 hours in 2009, 4,640 in 2008, and 2,105 hours in 2007.

#### **Summary of 2011 Overtime:**

- The cost of overtime increased significantly due to demonstrations at the State, however these costs were offset by a State reimbursement of expenses.
- The pay-to-time ratio rose as officers opted to take more of their overtime as pay.
- Contractual overtime decreased, primarily due to the regular cycle of when holidays occur.

#### **REPORT OF 1<sup>st</sup> QUARTER 2012 OVERTIME:**

The first quarter of 2012 saw a dramatic drop in the number of hours of overtime earned when compared with 2011. Obviously, the 2011 protests at the State Capitol led to a significant increase in 2011 1<sup>st</sup> quarter overtime, so by comparison 2012 is much lower. The year-to-date hours for 2012 are 22,980 as compared to 31,489 in 2011, 22,315 in 2010, 18,618 in 2009, and 21,347 in 2008. **(Refer to Appendix D)**

From 2008 to 2010, the pay-to-time ratio was maintained at an historic low. This trend changed during 2011, as officers elected to take a greater percentage of their time as pay than in previous years. During the first quarter of 2012, the pay-to-time ratio returned to the lower rate. At this time, it is too early to determine if this lower rate will be maintained.

The cost of first quarter overtime was \$465,065, which is a 35% decrease over the same quarter in 2011. The actual cost compares to \$721,358 for 1<sup>st</sup> quarter 2011, \$418,360 for 2010, \$339,832 for 2009, and \$418,638 for 2008. Please note that \$338,126 of the 2011 costs were for the protests.

A comparative breakdown of Contractually-Driven overtime hours is:

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Briefing Time	7,808	7,820	7,852	6,823	6,329
Legal Appearance	1,259	1,224	1,015	838	999
Holiday Day In Future	6,452	4,523	4,295	4,169	4,579
Convert to Pay	1,167	1,476	1,836	1,529	1,193
<b>TOTAL</b>	<b>16,686</b>	<b>15,043</b>	<b>14,998</b>	<b>13,359</b>	<b>13,100</b>

The increase in Contractually-Driven overtime is due to the cycle of holidays at the beginning of the year. A larger portion of the year-end 2011 holidays were charged to 2012. This resulted in a decrease of hours at the end of 2011, and an increase in 2012.

A comparative breakdown of Demand-Driven overtime hours is:

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Routine	3,035	2,939	3,485	3,055	4,154
Extraordinary Event	2,098	12,177	1,694	796	2,047
Planned Event	2	18	32	1	3
Problem Initiative	187	42	196	43	23
Holdover	446	564	475	428	689
Meetings	83	104	223	185	121
<b>TOTAL</b>	<b>5,851</b>	<b>15,844</b>	<b>6,105</b>	<b>4,508</b>	<b>7,037</b>

Both Holdover and Routine overtime continued to track fairly low. This appears to be due to the positive impact of the implementation of the 5-shift plan. The 2011 Extraordinary Event overtime includes 11,141 hours for the state protests. Extraordinary Event hours in 2012 were due to a homicide and two attempted homicides.

Finally, Civilian overtime hours also decreased during the 1<sup>st</sup> quarter of 2012, and are at the lowest level in five years. The total hours in the 1<sup>st</sup> quarter of 2012 were 443, as compared to 602 in 2011, 1,212 in 2010, 751 in 2009, and 1,211 in 2008.

#### PROJECTED COSTS FOR 2012:

As always, it is difficult this early in the year to make accurate projections in regards to overtime costs. As of the end of Payroll #7, the total overtime expenditure was \$465,065. If overtime expenditures continue at this rate, the Department would end the year up to \$100,000 over budget.

However, there are other concerns that may drive an increase in overtime costs. The political situation continues to be dynamic, with some indications that Wisconsin will play a more central role in the national discussion. If this is the case, more high-profile political figures may visit Madison, which always results in significant overtime.

Finally, the ability for officers to take time off is key in maintaining a lower pay-to-time ratio. If political, or other activities, result in less opportunities for officers to take time off, it is likely that even more overtime would be taken as pay.